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The Impact of Gramm-Rudman-Hollings on DEA Operations

before the

Select Committee on Narcotics Abuse and Control United States House of Representatives

Charles B. Rangel, Chairman March 18, 1986 Chairman Rangel, Members of the House Select Committee on Narcotics Abuse and Control: I appreciate this opportunity to represent the Drug Enforcement Administration as your committee examines the impact of Public Law 99-77, the Balanced Budget and Emergency Deficit Control Act of 1985 on the Federal drug law enforcement effort.

As the President and Attorney General have said on any number of occasions, the success of DEA's mission is critical to the future of our country. Although DEA's activities primarily fall within the realm of drug supply reduction, we are increasing our efforts in the area of prevention and education.

We are achieving notable successes from the major initiatives we have underway. In the past year, Federal drug arrests increased 20 percent and the arrests of major traffickers increased 40 percent. Similarly, conviction rates are up. Drug seizures also increased substantially and the United States Government has seized and forfeited a record amount of cash and property.

Because we are realizing these successes, we will continue with our major program thrusts. The goal of our domestic enforcement program is to reduce the availability of illicit narcotics and dangerous drugs in the domestic marketplace and to

disrupt the drug traffic through the arrest and prosecution of major violators and the removal of their financial assets.

DEA not only works in coordination with the Federal enforcement establishment, but also pursues cooperative law enforcement activities with state, county, and local authorities. In addition to traditional investigative endeavors, DEA supports this area through our training programs, forensic laboratory program, and with the Federal/state/local task force program. As a result of the 1985 Drug Initiative Supplemental, the task force program has been expanded.

Overseas, it is DEA's job to motivate and assist foreign countries in the development of drug law enforcement and ancillary programs to reduce the supply of illicit drugs produced, processed, and destined for ultimate delivery to the United States. DEA provides expert advice, authorized investigative and intelligence sharing, and training in those foreign areas deemed most critical to the reduction of drugs destined for the United States. Because of support from both the Congress and the Administration, substantial resources were added to DEA's international program in both 1985 and 1986.

As you are aware, DEA has an important regulatory role. Our diversion control efforts encompass the investigation and prevention of the diversion of legitimately produced controlled substances. Activities in this area include: registering

legitimate manufacturers and dispensers of controlled drugs; determining points of diverison into the illicit market, conducting targetted investigations of major violators; conducting periodic investigations of manufacturers, wholesalers, and import/exporters; investigating pre-registrants; scheduling and classifying controlled drugs; authorizing imports and exports; establishing manufacturing quotas; and providing assistance and guidance to the states in the area of diversion control.

Another major program area is intelligence. This program collects, analyzes and disseminates drug and drug-related information in support of DEA and other Federal, state and local efforts to interdict or suppress the illicit movement of drugs. Our intelligence program provides a systematic approach to the identification of traffickers and the assessment of their vulnerabilities. It also supplies information for the development of policy and enforcement strategies.

DEA also has a research and engineering program which supports the enforcement, diversion control and intelligence investigative functions through the development of specialized covert equipment, operational engineering, and scientific support.

Our support operations programs encompasses several areas including: laboratory analysis of evidence and expert testimony

in support of investigations and prosecutions of drug traffickers; training programs for all levels of DEA operational personnel; maintenance of an effective technical equipment program, including aircraft operations; provision of ADP and record management systems; and the provision of responses to requests made under the Freedom of Information and Privacy Acts.

Mr. Chairman, you have asked that I focus my testimony on the impact of the Gramm-Rudman-Hollings sequester process for 1986.

As a result of this Act, the FY 86 DEA appropriation of \$380 million will be reduced by 4.3 percent, which is \$16 million.

DEA is making every effort to limit the impact on high priority, sensitive areas. After necessary reprogramming, ongoing DEA enforcement operations should not be significantly affected. Neither hiring nor staffing plans should have to be adjusted.

The primary effect in 1986 on DEA is the elimination of a possibility of restoring the equipment base, a cutback on space and relocation funding, and elimination of the possibility of achieving gains in PE/PI funding through the use of the Asset Forfeiture Fund.

Specifically, in 1986 DEA will not be able to purchase equipment to support investigative operations, as planned.

Covert video systems, audio systems, recorders, pen registers, laboratory equipment, and administrative equipment was to have been purchased to partially restore the base, which was reprogrammed in 1985 to support enforcement needs. Increasing allocations to the field for purchases of evidence and payments for information through the Asset Forfeiture Fund will not be possible. Some renovation of offices, required by changes in staffing, will have to be delayed, and some transfers between posts of duty will have to be postponed or cancelled.

Through the use of carryover funds from 1985, anticipated receipts from the Asset Forfeiture Fund, and the reprogramming of the funds originally allocated for the diversion grant program, the effect on ongoing operations will be minimized. For the most part, our enforcement program will be on course; however, DEA will not be in a position to implement program enhancements that have been long postponed. Our primary concern is that DEA may be somewhat pressed to fund additional PE/PI during 1986 as the basic agents made available to us from the 1985 supplemental become active street agents and generate case activity requiring these PE/PI funds.

The 1987 request, as submitted by the President, is adequate to meet the needs of DEA. The request continues the momentum of ongoing initiatives. It calls for an increase of 80 special agents and 76 support staff and \$25.2 million in net program

increases. DEA would hope that there would be no automatic reductions taken against the 1987 request. Should the automatic reductions be imposed, we would attempt to minimize the affect on ongoing investigations and other priority programs.

In conclusion, Mr. Chairman, DEA recognizes the need for the Federal government to reduce spending to meet the goals of Gramm-Rudman-Hollings and I would like to stress that DEA operations in FY 86 will not be significantly affected because of this legislation.

I appreciate this opportunity to meet with you and I would be pleased to answer any questions that you may have.